



APPROVED MINUTES
Idaho Soil Conservation Commission
2270 Old Penitentiary Road
Boise, Idaho

The Idaho Soil Conservation Commission (ISCC) a special telephone conference call on Monday, April 25, 2005 at the Idaho State Department of Agriculture (ISDA) in Boise, ID. Attendance was as follows:

Members: Bill Whittom, Chairman
J. Morgan Evans, Vice-Chairman
Gary Grindstaff, Secretary
Jerry Reid, Member
Tom Johnston, Member

Advisors: None Present

Advisors not present: Rich Sims, USDA-Natural Resources Conservation Service (NRCS)
Paul McCawley, University of Idaho (U of I)
Kyle Hawley, Idaho Association of Soil Conservation

Districts (IASCD)

Others: Jerry Nicolescu, ISCC
Brenda Thomasson, ISCC
Christy Mastin, ISCC

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Governor
Dirk Kempthorne

Commission members
Jerry Reid
Bill Whittom
J. Morgan Evans
Gary Grindstaff
Tom Johnston

Administrator
Jerry Nicolescu

Welcome, Announcements, Minutes

Chairman Whittom called the meeting to order at 10:33 a.m. Thomasson performed a brief roll call of those present and then Whittom asked Mastin to present the loan requests.

RCRDP Loan Application Reviews

Randy & Sharon Bertagnole

Mastin presented several loan requests for consideration by the Commission. The first request was from Randy and Sharon Bertagnole (Portneuf SWCD) for \$60,100 on a fifteen-year term at five percent interest to convert flood-irrigated ground to center pivot irrigation. Grindstaff moved to approve the request and Johnston seconded. Evans asked where the Bertagnoles would get the water, since the applicant is from his area. Evans stated that the property was marginal and that he was concerned about a bankruptcy and consumer debt. Evans would like to

know more about the well tests. After this discussion, Grindstaff amended the motion to ensure that water rights are available from the canal company to service the project and a water permit is in place. Johnston amended his second and the motion carried. Details of the application are as noted below:

Signing Parties: Randy and Sharon Bertagnole			
Loan Amount:	\$60,100	Term:	Years 15 Rate: 5%
Conditions:	<ul style="list-style-type: none"> · ISCC to secure a first mortgage on 94 acres · ISCC to secure 1st lien on equipment to be purchased (UCC-1) · Secured equipment to be insured for life of loan 		
Disposition:	Approved		

Andrus Suffolks, LLC.

The second request presented for consideration was from the Portneuf SWCD for Andrus Suffolks, LLC for \$65,000 on a five-year term at 3% interest to replace open ditch and pipeline with underground pipeline that supplies water to a gravity sprinkler system. Reid move to approve the request. Grindstaff seconded. After discussion, Johnston proposed an amended motion to include personal guarantees. Grindstaff seconded the amendment and the motion carried. Details of the application below:

Signing Parties: Kenneth and Jim Andrus			
Loan Amount:	\$65,000	Term:	Years 5 Rate: 3%
Conditions:	<ul style="list-style-type: none"> · ISCC to secure 1st lien on equipment to be purchased (UCC-1) · Secured equipment to be insured for life of loan · Personal guarantee of Kenneth Andrus 		
Disposition:	Approved		

Bill and Peggy Fleming

The next loan request presented was for Bill and Pegging Fleming from the Gooding SCD for a \$15,000 loan on a five-year term at 3% interest to install delivery water to reduce ground water consumption and further reduce drain water off a J-8 drain. Johnston moved to approve with a second mortgage on the real-estate where the pipe will be installed. Evans seconded and the motion carried. Details of the application as noted below:

Signing Parties: Bill & Peggy Fleming			
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Loan Amount:	\$15,000	Term:	Years 5	Rate:	3%
Conditions:	<ul style="list-style-type: none"> · 1980 4440 John Deere Tractor · SCC to secure 1st lien on equipment to be purchased (UCC-1) · Secured equipment to be insured for life of loan · ISCC to secure second mortgage on the section of property where the pipe is installed. 				
Disposition:	Approved				

Douglas Boggan

Mastin next presented the request of Doug Boggan. This is a new request, as the loan request previously approved was not disbursed prior to the expiration date. The project is from the Idaho SCD to replace a tractor powered pump with a 6" pipeline and electric pump. The amount of the loan requested is \$6,100 for five years at 3% interest. Johnston moved to approve with the stipulation that the project be completed within six months or Boggan will forfeit the grant funds already approved, incorporating those funds into the loan. Grindstaff seconded. Motion carried. Details of the application below:

Signing Parties:	Douglas Boggan				
Loan Amount:	\$6,100	Term:	Years 5	Rate:	3%
Conditions:	<ul style="list-style-type: none"> · ISCC to secure 1st lien on equipment to be purchased (UCC-1) · Secured equipment to be insured for life of loan 				
Disposition:	Approved				

Earl Molyneux

Mastin presented three servicing requests. The first request was from Earl Molyneux for a partial release of 17.51 acres. The loan is currently secured by 125.52 acres. Releasing the 17.51 acres would still leave a security of 108.01 acres. Evans moved to approve. Grinstaff seconded and the motion carried.

Heath Gartner

Heath Gartner requested an extension. The original approval was given on 9/13/04 and an additional advance was approved on 11/15/04. The last commitment day is listed as 4/15/05 and NRCS estimates a completion date of April 15 or later. Heath estimates completion on June 1, 2005. The loan has been 95% disbursed. Grindstaff moved to extend the loan to June 16, 2005. Johnston seconded. Motion carried.

James and Karen Trent

James and Karen Trent are requesting a partial release of 8.75 acres, where the Commission holds a first-position lien. The Commission also holds a second mortgage on 80 acres. Trent indicates the acreage is being sold on a lease to purchase option.

For this release, the Commission will receive an \$8,000 payment this May and an \$8,000 payment in May of 2006. The current principle balance is \$50,336. The last full, on-time payment was made in 2002. Partial late payments have been collected, the last of which was in November of 2004. The balance for the first lien is \$42,000. The property is valued at \$2,000 per acre. The release would ensure payments this year and next. This would be set up in an escrow account so that payment would be send directly to us. Grindstaff moved to table this request until Mastin can provide additional information. Johnston seconded. Mastin asked for clarification of what the members would like to see. Johnston stated they would like to know what is on the 8.75 acres, what is on the rest of the property, more specific values and what do the remaining 80 acres consist of and the motion carried. The members further agreed that Mastin could provide them with individual information either via fax or e-mail and if all approve, Mastin can move forward as time is of the essence. If approved, formal agreement will be obtained at the regular meeting in May.

Nez Perce Update

Nicolescu provided a brief update of the status of the NezPerce District. Two resignations have been received and are being held in the IASCD office. Mastin, Foster, Hohle and Koberg recently returned from the audit review. Nicolescu also announced that Preston Kinne has resigned his position effective April 18, 2005. The board members have been meeting more regularly with all members present. Nicolescu feels that the Board is starting to get a handle on the situation and that the relationship between the District and NRCS is also improving.

Coburn Update

Whittom asked if Coburn was still in prison and if he was making restitution payments. Nicolescu stated that Coburn is still in prison and that he is still obligated to make restitution, regardless of when he is released from prison. If he still owes restitution on his release date, he will still owe restitution and the State will take all necessary measures to collect until the debt is satisfied.

Ethics in Government

Nicolescu reported that he has had several conversations with John Marvel recently concerning ethics in government, conflicts of interest and the Idaho Open Meeting Law. The conversations have remained amiable and have not been controversial. Nicolescu would prefer to continue to work with Mr. Marvel rather than be blindsided. Marvel's questions led to a lot of research from this office regarding ethics in government. This discussion led to the decision to hold an All Personnel Meeting June 6-9 2005 in Boise to bring staff up to date and to make sure the new staff members are up to speed.

Miscellaneous Business

Staff evaluations are being completed at this time. It appears that the staff will be receiving a one percent increase in late summer. Whitton encouraged everyone to attend the Forestry Contest in May. There may be some new MOUs entered into with the Lemhi District and the USBWP. The CREP program is moving forward. The Commission will need to start looking at making rules for the program and determine how the funds received this year will be handled. Nicolescu has also started cross training with senior staff members to be prepared for upcoming retirements over the next two to five years.

There being no further business, the meeting was adjourned at 11:30 a.m.

Respectfully submitted by Brenda Thomasson, Management Assistant.